

Mail/Courier Services

DESCRIPTION OF MAJOR SERVICES

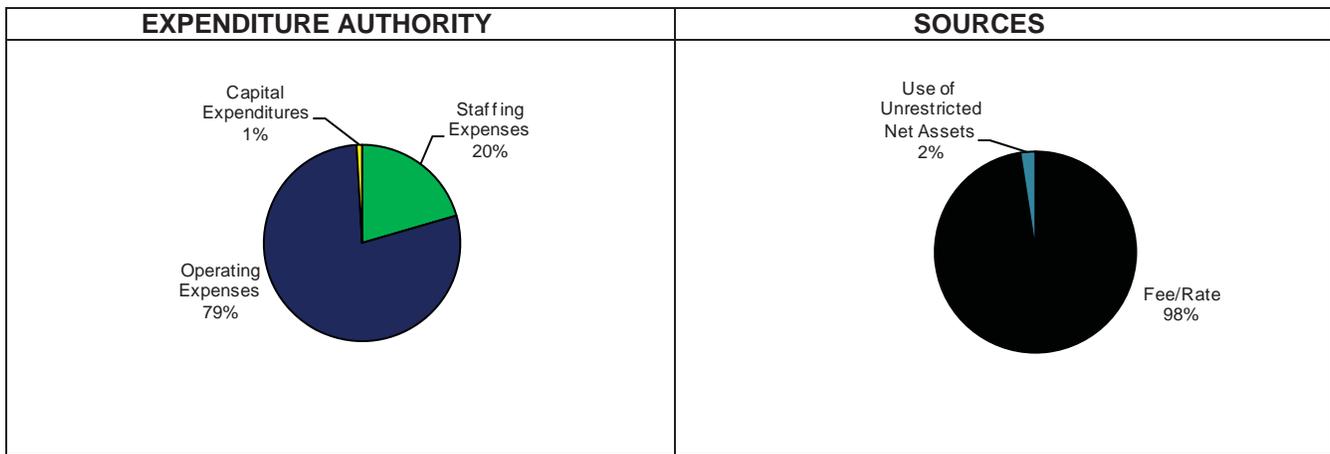
Mail/Courier Services provides mail handling and interoffice mail delivery. Mail handling includes various expedited shipping services, along with automated mail duties. There are 10 courier routes, four postage meter stations, two interoffice mail sorters, and a certified mail post.

Budget at a Glance

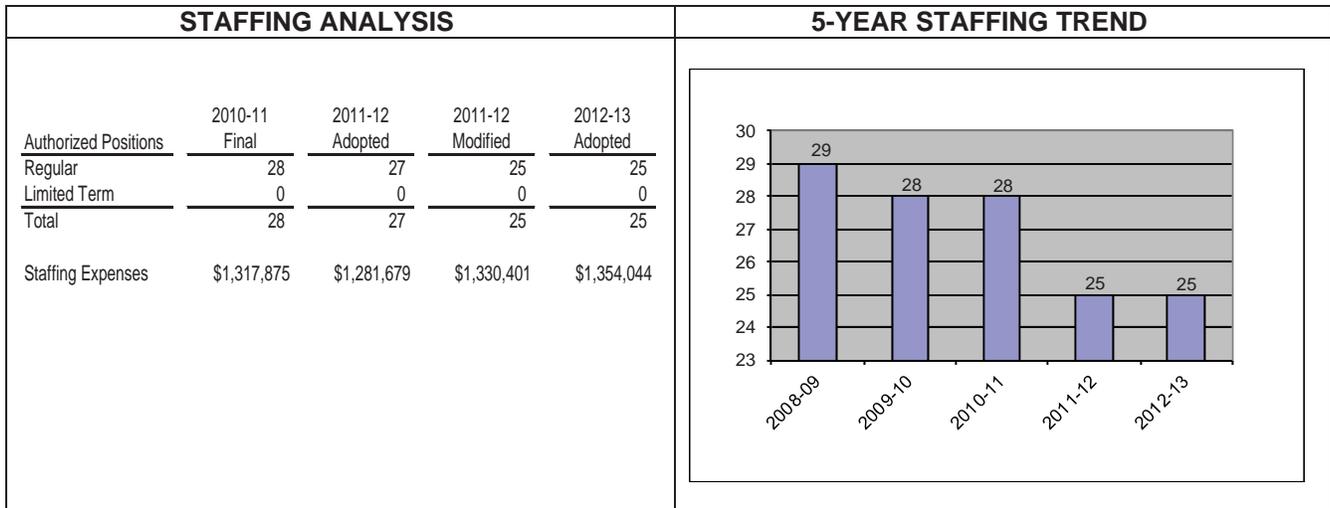
Total Expenditure Authority	\$6,552,661
Total Sources	\$6,452,587
Rev Over/(Under) Exp	(\$100,074)
Total Staff	25

As an Internal Service Fund (ISF) of the Purchasing Department, operational costs of this program are managed through user rates. Unrestricted net assets available at the end of a fiscal year are carried over for working capital or equipment replacement. Any excess or shortage in fund balance is reviewed and incorporated into the rate structure for the following fiscal year.

2012-13 RECOMMENDED BUDGET



BUDGETED STAFFING



ADMINISTRATION ANALYSIS OF 2012-13 RECOMMENDED BUDGET

GROUP: Administration
DEPARTMENT: Purchasing
FUND: Mail/Courier Services

BUDGET UNIT: IAY PUR
FUNCTION: General
ACTIVITY: Mail/Courier Services

	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Estimate	2011-12 Modified Budget	2012-13 Recommended Budget	Change From 2011-12 Modified Budget
Appropriation							
Staffing Expenses	1,342,193	1,306,725	1,317,875	1,237,306	1,330,401	1,354,044	23,643
Operating Expenses	5,243,551	5,017,325	4,951,443	5,159,143	5,165,993	5,187,543	21,550
Contingencies	0	0	0	0	0	0	0
Total Exp Authority	6,585,744	6,324,050	6,269,318	6,396,449	6,496,394	6,541,587	45,193
Reimbursements	(36,772)	0	0	0	0	0	0
Total Appropriation	6,548,972	6,324,050	6,269,318	6,396,449	6,496,394	6,541,587	45,193
Depreciation	24,543	9,674	10,185	11,074	11,074	11,074	0
Operating Transfers Out	0	0	40,000	0	0	0	0
Total Requirements	6,573,515	6,333,724	6,319,503	6,407,523	6,507,468	6,552,661	45,193
Departmental Revenue							
Taxes	0	0	0	0	0	0	0
Realignment	0	0	0	0	0	0	0
State, Fed or Gov't Aid	0	0	0	0	0	0	0
Fee/Rate	6,921,662	6,358,703	6,279,024	6,369,682	6,345,026	6,452,587	107,561
Other Revenue	0	0	0	0	0	0	0
Total Revenue	6,921,662	6,358,703	6,279,024	6,369,682	6,345,026	6,452,587	107,561
Operating Transfers In	0	0	0	0	0	0	0
Total Financing Sources	6,921,662	6,358,703	6,279,024	6,369,682	6,345,026	6,452,587	107,561
Rev Over/(Under) Exp	348,147	24,979	(40,479)	(37,841)	(162,442)	(100,074)	62,368
				Budgeted Staffing	25	25	0
Fixed Assets							
Capital Expenditures	64,131	0	0	0	0	59,600	59,600
Total Fixed Assets	64,131	0	0	0	0	59,600	59,600

BUDGET CHANGES AND OPERATIONAL IMPACT

Overall this budget unit is only slightly increasing appropriation over the current year. Increases in appropriation totaling \$45,193 include increased costs as a result of increased postage rates but is offset by reductions in professional services.

Revenue is increasing by \$107,561 due to the increase in postage costs as well as an increase in the rate for interoffice mail delivery to account for increased costs and reduced billable units.

In 2011-12, the department reorganized the rate structure for the mail/courier function to improve cost accounting and use by departments. This included consolidating various mail handling functions into one rate which has allowed the department to process billing faster and also to provide for a simplified rate calculation. As of June 30, 2011, this blended rate has improved the cost accounting methodology for the department and revenues have come further in line with expenditures. According to the June 30, 2011 financial statements prepared by the Auditor-Controller/Treasurer/Tax Collector, unrestricted net assets for this fund have increased to \$123,070. The rates for 2012-13 were constructed in order to maintain this level of unrestricted net assets throughout the coming year.

MAJOR EXPENDITURES AND REVENUE IN 2012-13 RECOMMENDED BUDGET

Operating expenses represent the majority of this budget units expenditures totaling \$5,187,543. This includes direct postage expenses, equipment leases and maintenance, postal software upgrades, application development for web-based billing, and other related services and supplies. In 2012-13, the division plans to purchase four new postage meter machines and replace four old meter machines that are fully depreciated. This is being funded by retained earnings and will be depreciated over the useful life of the machine.

Revenue totaling \$6,452,587 represents payments from departments for mail handling and mail delivery.



STAFFING CHANGES AND OPERATIONAL IMPACT

During 2011-12, 1 Mail Services Supervisor II was reclassified to a Mail Services Manager due to the scope and nature of job duties and 2 Mail Courier II positions were eliminated due to the work schedule reduction plan. There are no staffing changes recommended in 2012-13.

2012-13 POSITION SUMMARY

Division	Regular	Limited Term	Total	Filled	Vacant	New	Total
Mail Services Manager	1	0	1	1	0	0	1
Mail/Courier	20	0	20	20	0	0	20
Automated Mail	4	0	4	4	0	0	4
Total	25	0	25	25	0	0	25

Mail Services Manager	Mail/Courier	Automated Mail
<u>Classification</u>	<u>Classification</u>	<u>Classification</u>
1 Mail Services Manager	17 Mail Processor II	2 Mail Processor II
1 Total	2 Mail Processor III	1 Mail Processor III
	1 Mail Services Supervisor I	1 Mail Services Supervisor I
	<u>20 Total</u>	<u>4 Total</u>

